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Clarence Market Update

2nd Half 2026

OVERVIEW

In Q2 2026, Clarence* recorded a median house price of $803,000, and a median unit price of $618,000. This is an annual (Q2 2025 – Q2 2026) price growth of 10.2% for houses whilst unit prices have held stable. Between Q2 2025 – Q2 2026 sales has declined, by -20.8% for houses (to 198 sales in Q2 2026) and by -16.9% for unit sales (to 64 sales in Q2 2026). The house and unit market is undersupplied, which creates a buffer against multiple cash rate hikes in 2026. Thus, now remain an ideal opportunity for owners to capitalise on their investments. The incoming supply of ready-to-go stock for 2026 will aid in answering some of the demand, however not all. This will still benefit owners, whilst also creating more options for buyers.

CHANGE FROM LAST	YEAR	HALF YEAR
HOUSE SALES	↓	↓
HOUSE MEDIAN PRICE	↑	↓
HOUSE RENTAL PRICE	↑	↑
UNIT SALES	↓	↑
UNIT MEDIAN PRICE	↓	↓
UNIT RENTAL PRICE	↑	↑

MARKET CONDITIONS

SALES

MEDIAN PRICE Q2 2026

$803K (House) $619K (Unit)

AVERAGE DAYS ON MARKET Q2 2026

48 HOUSE 41 UNIT

RENTALS

MEDIAN PRICE Q2 2026

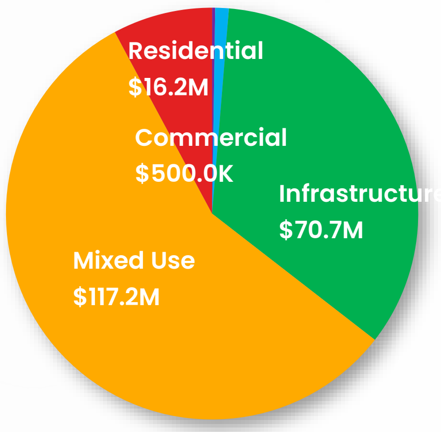
$620 (House) $550 (Unit)

AVERAGE DAYS ON MARKET Q2 2026

17 HOUSE 15 UNIT

FUTURE DEVELOPMENTS

Clarence£ will see approximately **$206.7M of new developments due to commence construction in 2026**.**



There are several residential and mixed-use projects planned for 2026 that will help boost supply, including:

- Kangaroo Bay Boulevard Precinct Mixed Use (86 Dwellings)
- 2A Ringwood Road & South Arm Lauderdale (5 Units & 4 Dwellings)
- 6 Paige Court Residential & Community Development (10 Townhouses)
- 24 & 26 Yachtmans Way Units & Shops (13 Units)

The incoming supply of new ready-to-go houses will aid in meeting some demand; although when compared to Q2 2026 sales of 198 houses sold it is still not enough. This will maintain the current price growth in the area but also provide buyers with options.

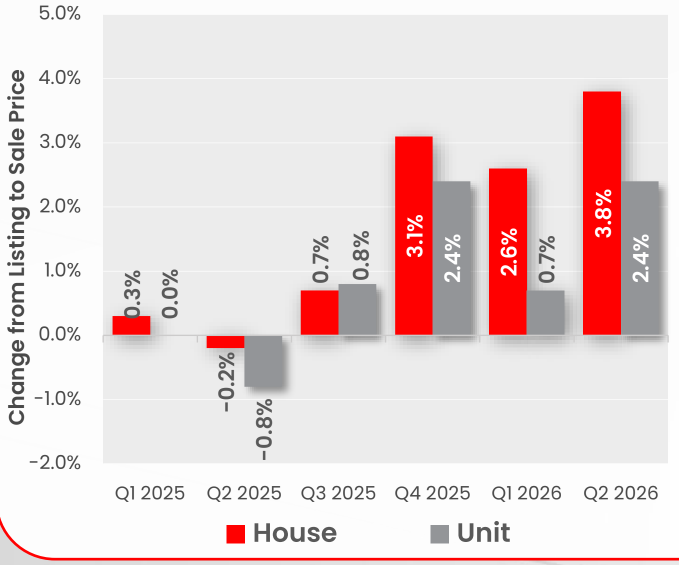
52 Units/ Apartments

10 Townhouses

101 Dwellings

AVERAGE VENDOR DISCOUNT*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.

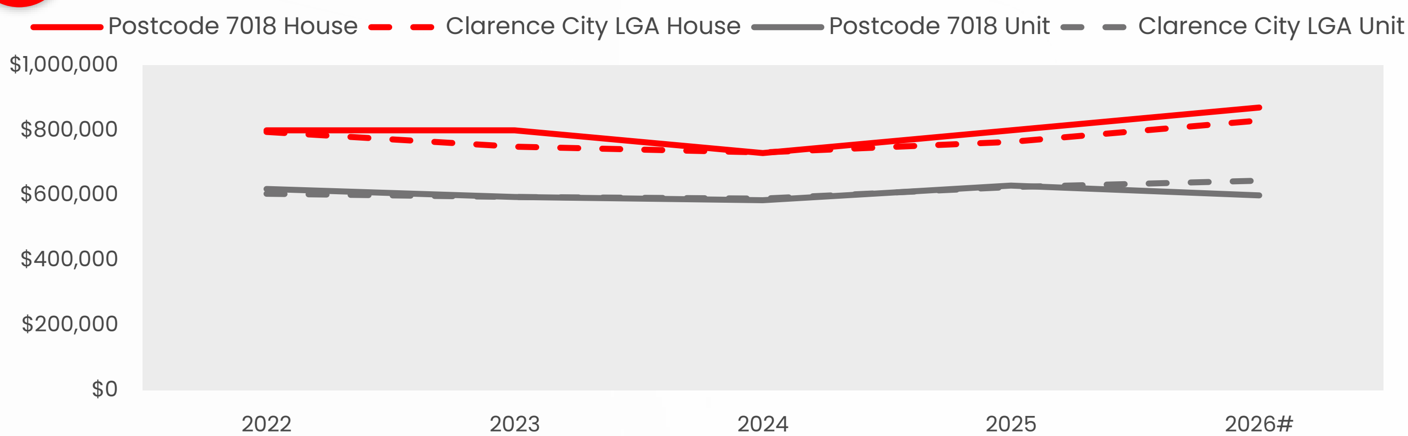


In the past 12 months to Q2 2026 average vendor discount for houses and units have swung to premiums of 3.8% and 2.4%, respectively. Market conditions in Clarence* favour sellers, where buyers must now offer above the initial listing prices. This is expected, due to the undersupplied market. Although new housing stock is planned, it will take time to build. Thus, buyers must act fast before there is higher premiums.

The postcode of 7018 has historically tracked slightly above the wider Clarence City Local Government Area (LGA) for median house prices for the past 5 years. This trend has continued through the start of 2026#. Units however have historically tracked on par but in 2026# have become a slightly more affordable option; in good news for buyers.

Most of the houses sold in Clarence* in 2026# were in the premium bracket of $950,000 and above and the affordable bracket of less than $649,999 (both 23.9%). Similarly, most of the units sold were in the premium bracket, of $700,000 and above (29.9%), but also the middle bracket of $600,000 to $649,999 (20.6%). There are ample sales in all the other price brackets for both houses and units. Overall, this suggests that Clarence* has a home for all budgets.

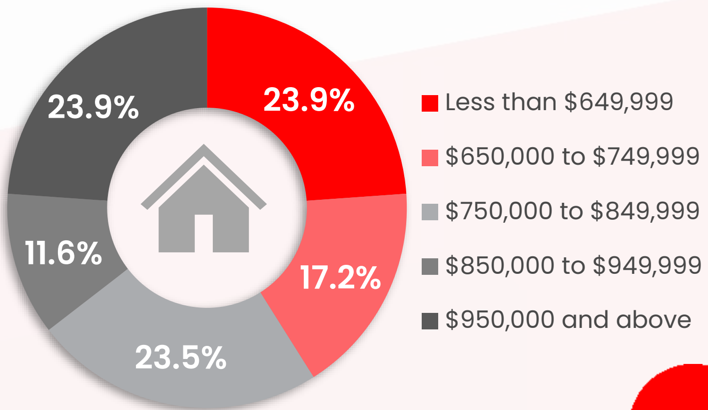
MARKET COMPARISON



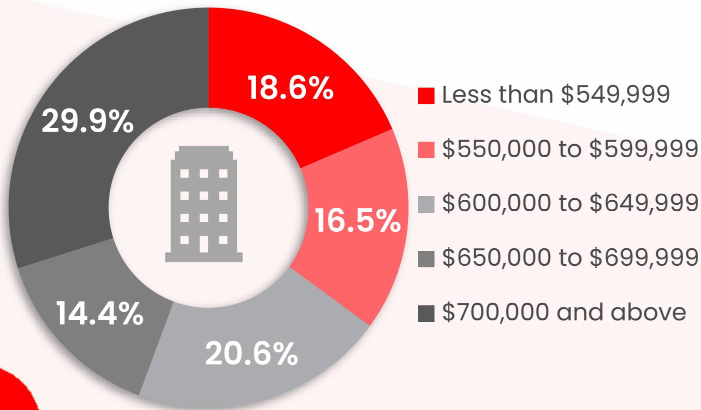
The market comparison graph provides a comparative trend for the median price of houses and unit in the past 5 years. The main LGA profiled was chosen based on their proximity to the main postcode analysed, which is 7018.

PRICE BREAKDOWN 2026#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2026€

House rental yields in Clarence¥ was 3.8% in June 2026, higher than Clarence City LGA (3.8%) and Hobart Metro (3.5%). This was paired with a 7.3% increase in median house rental price in the past 12 months to Q2 2026, at $620 per week. The number of houses rented also increased, by 17.0% in the past 12 months, to 227 rentals in Q2 2026. The rental market in Clarence¥ is in high demand, which is beneficial for investors looking for a more affordable option to Hobart.

4+ bedroom houses have provided investors with +7.9% rental growth annually, achieving a median rent of $750 per week.

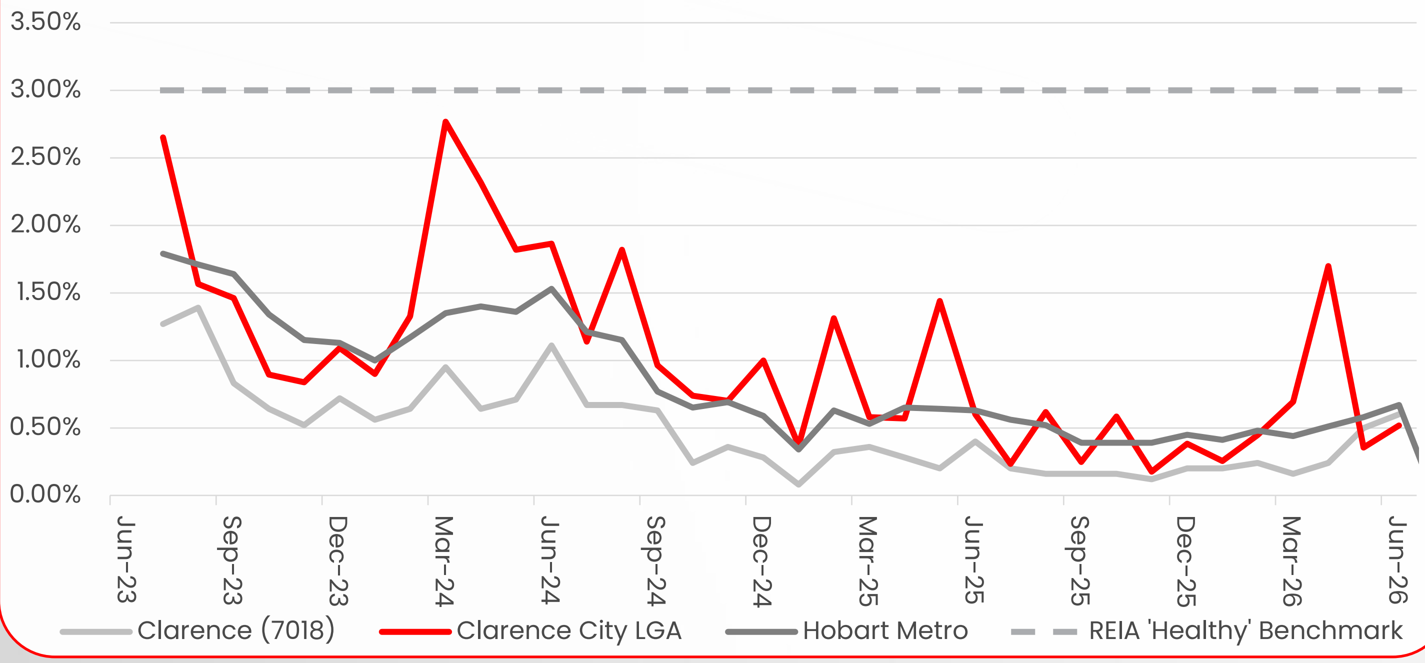
Clarence¥ recorded a vacancy rate of 0.6% in June 2026, on par with Clarence City LGA (0.5%) and Sydney Metro (0.7%). Vacancy rates in Clarence¥ have increased in the past 12 months, due to more investors entering the market. That said, a 0.6% vacancy rate is still significantly below the Real Estate Institute of Australia's healthy benchmark of 3.0%, indicating there is quicker occupancy of rental homes in Clarence¥. This is conducive for investors, even with a higher median house sales price (thus, entry price) in the past 12 months to Q2 2026.

2 BEDROOMS
+5.0%

3 BEDROOMS
+5.3%

4+ BEDROOMS
+7.9%

RENTAL VACANCY RATES 2026



RENTAL YIELD 2026§

3.8%
Clarence (7018)¥

3.8%
Clarence LGA

3.5%
Hobart Metro

5.1%
Clarence (7018)¥

4.9%
Clarence LGA

5.6%
Hobart Metro

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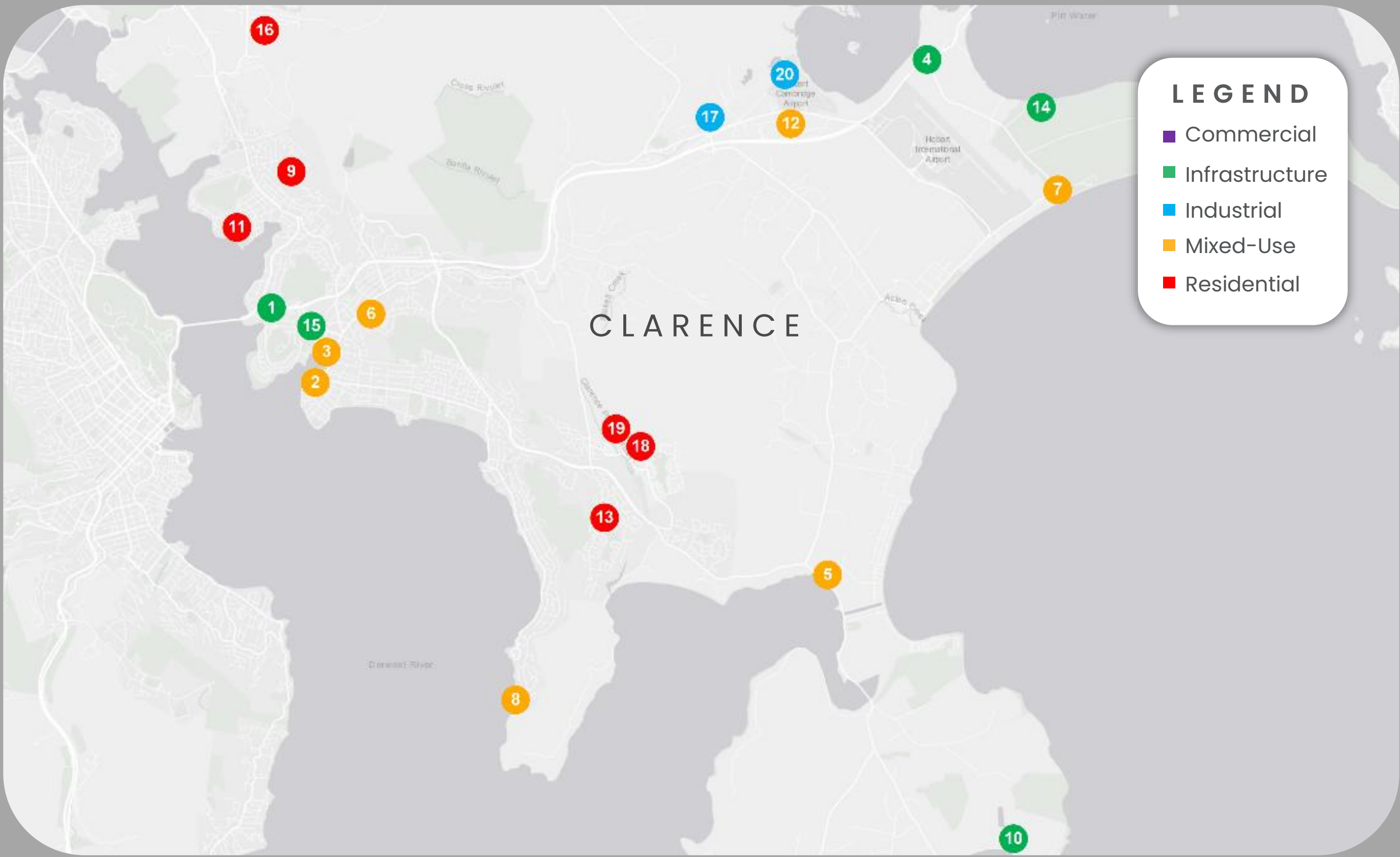
PROJECT DEVELOPMENT MAP 2026[A]



#	Project[£]	Type	Estimated Value[µ]	Commence Date[ψ]
1	Tasman Bridge Safety Barrier & Pathways Upgrade Project (State Government)	Infrastructure	$50,000,000	13/10/2026
2	Kangaroo Bay Hotel (Hotel/Shops/Restaurant)	Mixed Use	$50,000,000	20/03/2026
3	Kangaroo Bay Boulevard Precinct Mixed Use Development (86 Dwellings/Shops/Food & Drink Outlet/Museum)	Mixed Use	$40,000,000	5/10/2026
4	Tasman Highway & Pittwater Road Civil Works (State Government)	Infrastructure	$10,000,000	14/12/2026
5	2a Ringwood Road & South Arm Lauderdale (4 Dwellings/5 Apartments/Offices/Café/Pilates)	Mixed Use	$9,200,000	5/01/2026
6	6 Paige Court Residential & Community Development (10 Townhouses/3 Share houses)	Mixed Use	$5,000,000	14/12/2026
7	Seven Mile Beach Golf Course Mixed Use Development (Clubhouse/Restaurant/Bar/Retail/Amenities Block)	Mixed Use	$5,000,000	7/12/2026
8	24 & 26 Yachtsmans Way Units & Shops (13 Units/3 Shops)	Mixed Use	$4,000,000	24/06/2026
9	20-26 Nayuka Street Units (9 Units)	Residential	$4,000,000	25/12/2026
10	Cremorne Co-joined Apartments (3 Apartments) (State Government)	Infrastructure	$3,000,000	10/08/2026
11	4 Lincoln Street Units (3 Units)	Residential	$2,500,000	7/12/2026
12	5 & 7 Lockheed Place Warehouse Tenancies (3 Warehouse Tenancies/Offices)	Mixed Use	$2,200,000	1/10/2026
13	7 Hart Place Dwellings (7 Dwellings)	Residential	$2,197,000	30/01/2026
14	Five Mile Beach Wildlife Management Facility Prefabricated Office Building (State Government)	Infrastructure	$1,500,000	1/09/2026
15	Rosny Farm Atrium Structure - Consultancy For Design Services (Local Government)	Infrastructure	$1,400,000	11/05/2026
16	30 & 32 Pipit Drive Units (4 Units(	Residential	$1,368,381	24/03/2026
17	18 Spark Drive Warehouses	Industrial	$1,200,000	27/02/2026
18	106 Dolina Drive Units (3 Units)	Residential	$1,197,660	15/09/2026
19	3 Francesca Drive Units (3 Units)	Residential	$1,102,505	3/06/2026
20	26 Cherokee Drive Warehouse	Industrial	$1,000,000	12/10/2026

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REFERENCES

* Clarence sales market data and key indicators encapsulates aggregate property market conditions within Clarence Local Government Area (LGA)

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2026 encapsulates sales transactions for 2026 only (01/01/2026 – 30/06/2026).

€ Annual rental growth is a comparison between Q2 2025 (01/04/2025 – 30/06/2025) and Q2 2026 (01/04/2026 – 30/06/2026) house median rent figures.

¥ Clarence rental market data encapsulates aggregate property conditions within the postcode of 7018.

§ Rental yields and vacancy rates shown are as reported as of June 2026.

₳ Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

£ Projects refers to the top developments within Clarence Local Government Area.

µ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricefinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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